

ETEXT ATTACHMENT

02/24/2004 18 : 27

Alissa V. Sagari, Campaign Finance Analyst, FEC
ID: C00018929, RE: Mid-Year Report (1/1/03-6/30/03)

In response to your letter of December 10, 2003, requesting clarification of our Mid-Year Report (1/1/03-6/30/03), the following explanations are offered.

No employees spent more than 25 percent of their compensated time in any given month on Federal Election Activity. All salary payments were made from Federal funds only.

The identification of letters described in Schedule B supporting Line 21(b) are general fundraising letters. The names attached were merely identification of different fundraising efforts.

None of the letters referenced, promoted, attached or opposed a clearly identified candidate for Federal office.

The refund noted on Schedule A supporting Line 15 of the Detailed Summary Page was made to the Federal fund account. The 941 Payroll Tax was paid from Federal funds only.

The ratio required in Schedule H4 has been amended to clarify the apparent discrepancy. Upon examination, the non-federal account did not overpay the federal account.

Salaries were paid from Federal funds. In addition, no employee spent more than 25 percent of compensated time in a given month on Federal election activity or activities in connection with a Federal election.

Payments made for "Legis Campaign/Mailing", "Media/Advertising" and "Statewide Campaign/Badges" did not refer to a clearly identified candidate for Federal Office nor did they promote, support, attack or oppose any such candidate for Federal office. Federal funds were used for these payments.

We believe the proper Schedule H1 with the proper ratio is now part of the amended report and that the administrative expenses are allocated properly. In addition, no employee spent more than 25 percent of compensated time on Federal election activities or activities in connection with a Federal election. Also please be advised that no rent payments appear in this report. Rent payments were made during the second half of 2003.

Clarification has been made to better explain "Lincoln Day 2003" and "Get Out The Vote Effort" - the Lincoln Day 2003 was a fundraising event and GOTV is a voter drive activity. Schedule H1 now carries the correct ration and those payments made for voter drive activity are allocated properly.